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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

May 18, 1999

Magalie Roman Salas
Secretary
Federal Communications Commission
The Portals - TW-A325
445 Twelfth Street, S.W.
Washington, DC 20554

98141

Re: Ex Parte SBC/Ameritech Merger CC Docket No. 99-141

Dear Ms. Salas:

On behalf of CoreComm Limited ("CoreComm"), pursuant to Section 1.1206(b) of the Commission's rules, 47 C.F.R. Section 1.1206(b), we are providing for inclusion in the public record of this proceeding the attached letter from CoreComm to Robert Atkinson concerning issues in the above-captioned proceeding.

Two copies of this letter and attachment are enclosed.

Please contact the undersigned if any questions arise concerning this submission.

Sincerely,



Eric Branfman

cc: Attached Service List.

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MAY 18 1999

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

May 18, 1999

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VIA HAND DELIVERY

Robert Atkinson, Esq.
Deputy Chief, Common Carrier Bureau
Federal Communications Commission
The Portals - Fifth Floor
445 Twelfth Street, S.W.
Washington, DC 20554

Re: Ex Parte re SBC/Ameritech Merger CC Docket No. 98-141

Dear Mr. Atkinson:

On behalf of CoreComm Limited ("CoreComm"), I am writing to supplement CoreComm's *ex parte* letter to the Commission dated May 4, 1999 regarding the proposed merger between SBC Communications, Inc. and Ameritech Corporation.

In Attachment 2 to the May 4 *ex parte*, CoreComm noted that ILECs are using promotional offers to "win-back" customers before CLECs have even had an opportunity to complete the customer acquisition process, thus impeding competition in the local exchange market. For example, CoreComm has been advised by newly secured customers that they have been subjected to Ameritech win-back efforts immediately upon switching service to CoreComm. Indeed, CoreComm has received information suggesting that customers have been contacted by Ameritech *prior* to the time that their service has actually been transferred to CoreComm, thus raising significant concerns about whether leads are being forwarded to the Ameritech win-back group when customer service records are pulled or transfer orders are submitted by CoreComm while establishing the customer relationship.

Regardless of how Ameritech's win-back personnel learn of the impending transfer to a CLEC, these sorts of immediate win-back efforts have a material adverse effect upon nascent competition and reinforce the importance of imposing a mandatory waiting period upon win-back efforts by ILECs. One of the solutions advocated in CoreComm's May 4 *ex parte* submission was that the merged company be restricted from conducting win-back marketing until a period of time after new service orders have been completed by CLECs. It has recently come to my attention that the Commission's regulatory counterpart in Canada, the CRTC, has adopted such an approach.

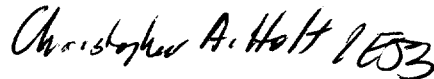
Robert Atkinson, Esq.
May 18, 1999
Page 2

Enclosed is a copy of the CRTC's April 16, 1998 "Decision Regarding CRTC Interconnection Steering Committee Dispute on Competitive Winback Guidelines." In that decision, the CRTC determined that "asymmetrical winback guidelines should be put in place for a specific period of time to facilitate CLEC entry into the local market." Thus, the CRTC directed that "an ILEC is not to attempt to win back a customer for a period of three months after that customer's service has been completely transferred to another local service provider, with one exception: ILECs should be allowed to win back customers who call to advise them that they intend to change local service provider." The CRTC explained that its guideline "would not prevent ILECs from advertising to the general public," but would prevent ILECs from "communicat[ing] with customers on an individual basis" during this period.

CoreComm believes that merger conditions imposing win-back restrictions similar to those set forth in the CRTC's decision would facilitate competition in the local exchange markets affected by the proposed SBC/Ameritech merger, thus promoting the public interest and helping to offset the potential anti-competitive consequences of the proposed merger.

Please feel free to contact me should you have any questions regarding this submission.

Sincerely,

A handwritten signature in black ink that reads "Christopher A. Holt" followed by a stylized number "153".

Christopher A. Holt
Assistant General Counsel - Regulatory
& Corporate Affairs

cc: Attached Distribution

16 April 1998

To: PN 96-28 List

Re: Commission Decision Regarding CRTC Interconnection Steering Committee Dispute on Competitive Winback Guidelines

Dear Sir or Madam:

This letter constitutes the Commission's decision concerning whether Incumbent Local Exchange Carriers (ILECs) and Competitive Local Exchange Carriers (CLECs) should be subject to the same competitive winback guidelines and whether they should be permitted to use information provided by a second LEC after the second LEC has initiated service to a customer. The decision responds to a dispute filed with the Commission by the Customer Transfer Sub-Working Group of the CRTC Interconnection Steering Committee.

Stentor considered that all LECs should be subject to the same competitive winback guidelines. Stentor submitted that more stringent winback guidelines for ILECs were unnecessary and would limit customer choice. Stentor also stated that in Local Competition, Telecom Decision CRTC 97-8, 1 May 1997 (Decision 97-8), the Commission, while imposing certain limitations on ILECs, did not consider that asymmetrical winback guidelines were required. Stentor submitted that all LECs should be subject to the same winback guidelines. Stentor further submitted that LECs should be allowed to use information provided by a second LEC after an "objective event" had occurred, similar to the completion of change of a customer's Primary Interexchange Carrier (PIC) in the long distance market.

The Competitors (AT&T Canada Long Distance Services Company, fONOROLA Inc., Call-Net Enterprises Inc., ACC TelEnterprises Inc., and TelcoPlus Services Inc.) and MetroNet Communications Group Inc. (MetroNet) submitted that ILECs should have more stringent winback guidelines because:

- of their market dominance,
- Local Number Portability (LNP) is not yet in place,
- ILECs, because of their monopoly in the local market, have all the information on customers and could use this information to their advantage,
- transfer costs are significant and higher in the local market than in the interexchange market; and
- customers are generally not as aware that the local market is open to competition.

The Competitors submitted that ILECs should not be allowed to win back customers for a period of 60 days (MetroNet proposed 30 days) following the date of local service disconnection, until LNP is rolled out in priority 1 and 2 exchanges. Once LNP was rolled out in Priority 1 and 2 exchanges, the Commission could examine whether the asymmetrical winback guidelines should remain in effect. The Competitors submitted that this period of time would give customers the opportunity to experience CLECs' services. Some Competitors also submitted that, where customers call ILECs to advise them of their intention to go with another LEC, the ILECs should be limited to explaining the features of their services and be expressly prevented from attempting to win such customers back.

MetroNet further submitted that ILECs' use of information provided by a second LEC once the second LEC has initiated service should be restricted to prevent abuse, while Rogers Communications Inc. submitted that ILECs should always be prohibited from using information obtained from CLECs to win back customers.

The Commission is of the view that asymmetrical winback guidelines should be put in place for a specific period of time to facilitate CLEC entry into the local market. The Commission notes, in this regard, that without such guidelines, ILECs would potentially be able to win back customers even before local service is effectively transferred to a CLEC because ILECs control and have access to customer specific information, such as leased loops, directory listings, and 911 information. The Commission notes that asymmetrical winback guidelines will not prevent ILECs from advertising to the general public. Instead, ILECs will not be allowed to communicate with customers on an individual basis for a limited period of time following transfer of the customer's service to another local service provider.

The Commission is of the view that asymmetrical winback guidelines will help to protect customers and ensure effective competitive entry. Since, as stated in Price Cap Regulation and Related Issues, Telecom Decision CRTC 97-8, 1 May 1997, the Commission does not expect local competition to proceed as quickly as projected by the ILECs, the Commission is not convinced that relying on the implementation of LNP as the basis for a cut-off date to asymmetrical winback guidelines is in the best interests of customers and the fostering of an effective competitive market. The Commission considers that it would be more appropriate to tie the duration of the winback guidelines to the date when a customer's service is actually transferred to another local service provider. The Commission therefore directs that an ILEC is not to attempt to win back a customer for a period of three months after that customer's service has been completely transferred to another local service provider, with one exception: ILECs should be allowed to win back customers who call to advise them that they intend to change local service provider. The Commission considers that such

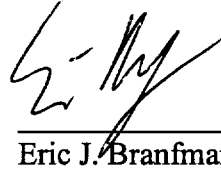
occurrences will be the exception rather than the rule (as, generally, CLECs will deal with ILECs on behalf of the customer).

Yours sincerely,

Laura M. Talbot-Allan
Secretary General and
Chief Operating Officer

CERTIFICATE OF SERVICE

I, Eric J. Branfman, hereby certify that on this 18th day of May 1999, copies of the foregoing letter were delivered by hand to the names on the attached list.



Eric J. Branfman

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